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*United States Agency for International Development*  
**CENTRAL ASIA REPUBLICS (USAID/CAR)**  
Kazakhstan - Uzbekistan - Kyrgyzstan - Turkmenistan - Tajikistan

**Director's Office, Acquisition & Assistance Section**

**Solicitation No: RFA 176-02-01**  
**Date issued: October 17, 2001**  
**Closing Date: October 30, 2001**  
**Closing Time: 10:00 AM (Almaty Time)**

**Subject: Call for Comment on Community Action Investment Program (CAIP)**

The United States Agency for International Development (USAID) is seeking comment from ALL interested parties including but not limited to U.S. non-governmental organizations (NGOs) and firms, and other types of entities such as public international organizations who may consider proposing on the resulting procurement that will implement the CAIP. USAID anticipates releasing the Request for Application (RFA) for the placement of one or more cooperative agreement on/about Monday, November 5, 2001. It will have taken into consideration comment, if any, submitted to USAID by the Closing Date of this letter.

The Government fully anticipates making material and possibly significant changes to the CAIP based on thoughtful, knowledgeable, and considered comment by interested parties.

Comments should be addressed to the Agreement Officer, Mr. Marcus A. Johnson, Jr.

**U.S. based mailing address:**

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7 (3272) 50-76-35 or 36

The Government has preference for electronic communication sent by facsimile and email or also captured electronically with the use of widely commercially available software such as Adobe Portable Document Format (PDF), .jpg, .gif or .tif files. If that is not practicable interested parties may submit comments in paper form. Regardless of the method used the subject should reference that the comments are related to the "CAIP."

Comments by any method that are received late and no fault of the U.S. Government, or are incomplete or non-responsive may not be considered in the review process.

USAID anticipates this program to be primarily assistance in nature, that is, for a public purpose, rather than the acquisition of services. Accordingly, an assistance instrument (i.e., a grant or cooperative agreement), in lieu of a contractual relationship, has been determined to be the most appropriate vehicle for the purposes of this activity. Under an assistance instrument, USAID's involvement is on a partnership basis as opposed to the relationship established under a contract where the Agency is acquiring specific goods or services for its own use or benefit.

Pursuant to 22 CFR 226.81, it is USAID's policy not to award fees (such as profit) under assistance instruments. Other reasonable, allocable, and allowable expenses both direct and indirect, which are related to the agreement program and are in accordance with applicable cost standards (OMB Circular A-122 for nonprofit organizations), may be paid under the agreement.

If your organization is interested in submitting an application, please carefully review this Cover Letter and program statement.

Issuance of this letter does not constitute an award commitment on the part of the Government, nor does it commit the Government to pay for costs incurred in the preparation and submission of comments. Further, the Government reserves the right to reject any or all comments received based on its determination of relevancy. While it is anticipated that these procedures will lead to an RFA and successfully conclude with an award of at least one cooperative agreement, interested parties are hereby notified of that the Government is not making any firm commitment to the appearance of a future procurement action or that it will be in the form of a RFA.

Thank you for your consideration of this USAID program initiative. We look forward to your organization's participation.

Sincerely,

**A**

Marcus A. Johnson, Jr.  
Agreement Officer

## COMMUNITY ACTION INVESTMENT PROGRAM (CAIP)

### Purpose

USAID/CAR's new Community Action Investment Program (CAIP) will build social stability and alleviate sources of conflict in key regions of Central Asia by enhancing community infrastructure, living conditions, and economic opportunities through improved community dialogue and collective action. USAID/CAR activities will build on, and benefit from lessons learned from similar Agency community action programs in Lebanon, Armenia, and the Balkans. Specific activities will be threefold:

- (1) rehabilitating and improving the social and physical infrastructure of communities;
- (2) improving the capacity for dialogue, collective action, and conflict resolution skills in and among communities to address potential sources of conflict; and,
- (3) providing loan and business development opportunities to micro and small enterprises.

To ensure that we are meeting the needs of local communities, and to reinforce democratic processes, decisions regarding the selection of specific community development infrastructure projects such as schools, health clinics, domestic/potable community water delivery systems, and social service/community centers, will involve the local community. Specific projects will incorporate public participation and will seek to maximize short-term employment opportunities. If this activity is fully funded (\$40 million), we expect to generate the equivalent of at least 150,000 jobs for the period of two years. This new initiative is to provide direct, visible, and tangible results that improve CAR communities and the lives of their citizens.

### Overall Objective and Timeframe

Over a 2-3 year implementation horizon the program will seek to:

- (1) repair damaged or construct new infrastructure selected as a high priority through a participatory process involving the local community (both citizens and leadership);
- (2) provide equipment to enhance services provided by schools, health clinics, etc.;
- (3) implement technical assistance and training activities related to equipment provided through the repaired or newly built infrastructure cited above;
- (4) improve the capacity for dialogue and action within and among multi-ethnic communities, including conflict

- mediation skills and participatory processes through all of the above;
- (5) generate employment opportunities targeted for youth and young adults (15-25 years); and,
  - (6) establish credit funds and processes and training for small and micro-enterprises development.

### Geographic Focus

The program will focus on particular geographic regions in Central Asia where the current crisis in Afghanistan is most likely to have a destabilizing effect. This includes the southern portions of Uzbekistan, Turkmenistan, Tajikistan, Kyrgyz Republic, and Kazakhstan.

### Specific Types of Infrastructure to be Improved

Improvements will be directed at, but not limited to, education and recreation facilities, health, and water supply and sanitation.

### ***Types of Community Organizations***

Activities will seek to involve a wide range of community organizations, such as housing associations, women's groups, makhallyas, farmer groups, etc.

### Types and Scope of Activities Envisioned

USAID/CAR is looking for innovative, visionary proposals which are results-oriented and which are based on and incorporate at least some of the concepts briefly described below.

**Infrastructure:** USAID/CAR envisions the processes inherent in providing new and improved infrastructure are a vehicle for stimulating public participation, enhancing local employment opportunities, facilitating economic opportunity and improving living conditions in targeted CAR communities. To the maximum extent possible, CAIP activities will target sectors in which USAID/CAR is already working to ensure maximum synergies between reform processes and improved infrastructure. These may include any of the sectors mentioned above or other similar activities that strengthen and improve communities. A secondary factor to consider is the breadth of the impact, targeting those activities that will touch as many lives in the community as possible. A final consideration is sustainability. While it will not be the driving factor for selection, we will look more favorably on those types

of infrastructure projects that are most likely to be sustainable in the long term.

**Conflict Mitigation:** This will build on the recently initiated USAID/CAR effort in the Ferghana Valley by incorporating additional communities in other areas of potential conflict throughout Central Asia. The program will include bringing groups together to address common concerns, providing skills to enable the groups to address future issues of conflict, and funding small projects related to the common concerns of the groups to address their needs and reduce the potential for conflict. We also place importance on activities that address the employment needs of youth and young adults (ages 15-25). Conflict mitigation is a cross-cutting theme that must be considered for every activity under the CAIP initiative.

**Micro-enterprise:** Though the possibility for extensive interventions in this area may be limited, activities will be based on a market-oriented, micro-enterprise best practices approach that takes into account both the needs of the clients and the local business environment. Loans will be made based on the economic viability of the enterprise requesting the loan. USAID will also consider the potential employment impact that the loans will have, favoring those that maximize employment opportunities in the community. Business development services will be offered to enterprises that are interested in expanding their economic activities. On-going micro-enterprise activities with our current implementers could be expanded to include additional geographic regions within each recipient country, and additional products and services offered to current and potential clients.

#### Community Input/Buy-In

To ensure CAIP investments are sustainable and meet the needs of the local communities we will assist, all infrastructure repairs or new construction will be selected through a participatory process involving citizens and local government/leadership of the community. Introduction of participatory, democratic practices through this project will also bolster USAID's objectives in building a democratic culture in Central Asia.

#### Initial Community Funding Selection Criteria to be Applied by Implementers

Expected initial minimum funding of \$6 million shall be more specifically targeted for high visibility, high impact activities in the most vulnerable areas. These activities shall focus on employment generation, youth, and conflict mitigation in

communities in: a) southern Uzbekistan's Surkhandarya Region; b) the Ferghana Valley; c) southern Kazakhstan; d) villages along the delivery routes for Afghan humanitarian assistance in Turkmenistan; e) Garm Valley in Tajikistan; and, f) southern Kyrgystan.

#### Selection Criteria for Successful Bidders

Successful organizations will have demonstrated the ability to:

- 1) design and implement the program described above;
- 2) subcontract for work with local firms;
- 3) oversee projects to completion;
- 4) work with communities to assist them in developing their own capacity to resolve conflicts and to explore options, manage, and implement community-based decisions.